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No. 14] NEW DELHI, THURSDAY, MAY 30, 1957/JYAISTHA 9, 1879

LOK SABHA

The following Bill was introduced in Lok Sabha on 30th May, 1957.—

BILL NO. 27 OF 1957

A Bill further to amend the Essential Commodities Act, 1955.

BE it enacted by Parliament in the Eighth Year of the Republic of India as follows:—

1. This Act may be called the Essential Commodities (Amendment) Act, 1957. Short title.

10 of 1955. 2. In section 3 of the Essential Commodities Act, 1955, after sub-section (3), the following sub-section shall be inserted, namely:— Amendment of section 3.

“(3A) (i) If the Central Government is of opinion that it is necessary so to do for controlling the rise in prices, or preventing the hoarding, of any foodstuff in any locality, it may, by notification in the Official Gazette, direct that notwithstanding anything contained in sub-section (3), the price at which the foodstuff shall be sold in the locality in compliance with an order made with reference to clause (f) of sub-section (2) shall be regulated in accordance with the provisions of this sub-section.

(ii) Any notification issued under this sub-section shall remain in force for such period not exceeding three months as may be specified in the notification.

(iii) Where, after the issue of a notification under this sub-section, any person sells foodstuff of the kind specified therein and in the locality so specified, in compliance with an order made with reference to clause (f) of sub-section (2), there shall be paid to the seller as the price therefor—

(a) where the price can, consistently with the controlled price of the foodstuff, if any, fixed under this section, be agreed upon, the agreed price;

(b) where no such agreement can be reached, the price calculated with reference to the controlled price, if any;

(c) where neither clause (a) nor clause (b) applies, the price calculated with reference to the average market rate prevailing in the locality during the period of three months immediately preceding the date of the notification.

(iv) For the purposes of sub-clause (c) of clause (iii), the average market rate prevailing in the locality shall be determined by an officer authorised by the Central Government in this behalf, with reference to the prevailing market rates for which published figures are available in respect of that locality or of a neighbouring locality; and the average market rate so determined shall be final and shall not be called in question in any court.”.

STATEMENT OF OBJECTS AND REASONS

Under clause (f) of sub-section (2) of section 3 of the Essential Commodities Act, 1955, the Central Government can direct a person holding stocks of food grains to sell the whole or a specified part of it to any person or class of persons. Under sub-section (3) of the said section, the person holding the stocks is required to be paid the price for the food grains at the market rate prevailing in the locality at the date of the sale, if there is no controlled price in force at the time. At present, there is no control of prices in any part of the country. In a rising market, the present provisions of the Act do not discourage hoarding as the stockists can at any time obtain the prevailing market price on the date of issue of orders by the Central Government directing them to sell the stocks.

2. In view of the present high level of prices, it is considered necessary, in order to discourage hoarding and to prevent undue profiteering by the traders, to alter this provision. It is proposed that in the absence of a controlled price, the stockist should be entitled to receive the average market rate prevailing in the locality during the period of three months preceding the date of the issue of the notification applying the new provisions, and not the market rate prevailing on the date of sale.

NEW DELHI;

AJIT PRASAD JAIN.

The 29th May, 1957.

M. N. KAUL,

Secretary.

